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SECRETARIAT
OF
THE ODISHA LEGISLATIVE ASSEMBLY
NOTIFICATION

The 29th August, 2012

No.9183/L.A.—The following Bill which has been introduced in the Odisha Legislative Assembly on the 29th August, 2012 is herewith published under Rule 68 of the Rules of Procedure and Conduct of Business in the Odisha Legislative Assembly for general information.

THE INDIAN STAMP (ODISHA AMENDMENT) BILL, 2012

**A
BILL**

FURTHER TO AMEND THE INDIAN STAMP ACT, 1899 IN ITS
APPLICATION TO THE STATE OF ODISHA.

BE it enacted by the Legislature of the State of Odisha in the Sixty-third Year of the Republic of India as follows:—

Short title. **1. (1)** This Act may be called the Indian Stamp (Odisha Amendment) Act, 2012.

Amendment of **2. In Schedule I-A to the Indian Stamp Act, 1899—** 2 of 1899.
Schedule 1-A

(i) In Article 6, for sub-clause (a) of Clause (2) following sub-clause shall be substituted, namely:—

“(a) If such loan or debt. is 0.5% percentum on
repayable on demand or more loan or debt. amount
than three months from the subject to maximum of
date of execution of the Rupees five thousand”.
instrument evidencing the
agreement—

(ii) in Article 54, after Clause (b) following clause shall be
inserted, namely:—

“(c) in case of loans for agriculture Nil.”.
purpose—

ANNEXURE

[Extract from the Indian Stamp Act, 1899 (2 of 1899)]

SCHEDULE

		**	**	**
Agreement relating to deposit of title-deeds, pawn or pledge.	6.	**	**	**
	(a)	if such loan or debt is repayable on demand or more than three months from the date of instrument evidencing the agreement—		
		When the amount of the loan or debt does not exceed Rs.500.	..	Five rupees,
		When it exceeds Rs.500 but does not exceed Rs.1,000	..	Ten rupees,
		And for every additional Rs.1,000 or part thereof in excess of Rs.1,000	..	Ten rupees,
		**	**	**
Reconveyance of Mortgaged property.	54.	**	**	**
		**	**	**
	(b)	in any other case		
		Fifty rupees.		

STATEMENT OF OBJECTS AND REASONS

1. As per existing provision of sub-clause (a) of Clause (2) of Article 6 of Schedule 1 A of the Indian Stamp Act, 1899, where the amount of loan or debt does not exceed rupees five hundred, the rate of stamp duty payable on the instrument evidencing the agreement is rupees five only. If the amount of loan or debt exceeds five hundred but does not exceed rupees one thousand, the rate of stamp duty payable on the instrument evidencing the agreement is rupees ten only and every additional rupees one thousand or part thereof in excess of rupees one thousand the rate stamp duty payable on such instrument is rupees ten only. But, under the provisions of the Indian Registration Act, 1908, such type of instruments are not compulsorily registerable. In this connection the State Level Bankers Committee has requested for registration of equitable mortgage created by deposit of title deed at nominal stamp duty to prevent fraudulent transaction of mortgaged property. At present no stamp duty is being collected on deposit of title deeds as such documents are not being registered due to levy of stamp duty under the existing provision.

In order to obviate this, it is proposed to amend sub-clause (a) of Clause (2) of Article 6 of Schedule 1 A of the Indian Stamp Act, 1899 to encourage registration of any instrument evidencing an agreement relating to deposit of title deed and to prevent unauthorized transactions of mortgaged land, where it is proposed to prescribe stamp duty at the rate of 0.5 per cent on the loan or debt amount subject to a maximum of rupees five thousand only.

2. Further, the stamp duty on deed of re-conveyance of mortgaged property on agricultural loans is rupees fifty under Article 54 (b) of schedule 1 A of the Indian Stamp Act. The State Level Bankers Committee has also recommended for waiver of stamp duty on transactions made under the Odisha Agricultural Credit Operations and Miscellaneous Provisions (Bank) Act, 1975 to facilitate more credit flow.

It is proposed to waive the stamp duty on registration of re-conveyance of mortgage landed property for agricultural loans. This has been done keeping in view the provisions now prevalent in the State of Karnatak.

The Bill seeks to achieve the above objects.

SURYA NARAYAN PATRO
Member-in-Charge

A. K. SARANGI
Secretary
Odisha Legislative Assembly